VOLUME 6: CHAPTER 11 - SOCIO-ECONOMIC, RECREATION AND TOURISM – ALTERNATIVE ALIGNMENT

Appendices (Volume 5 of this EIA Report)

Appendix V2-11.1: Draft Outdoor Access Management Plan

Appendix V2-11.2: Socio-Economic Baseline

Appendix V2-11.3: Recreation and Tourism Baseline

Figures (Volume 3 of this EIA Report)

The relevant figures for this Chapter are contained within the Appendices listed above

11. SOCIO-ECONOMIC, RECREATION AND TOURISM

11.1 Executive Summary

11.1.1 This Chapter considers the potential effects on socio-economic activity, recreation and tourism activity during construction and operation of the Proposed Development, with a particular focus on the tourism and recreational impacts of the Alternative Alignment.

Socio-economic

11.1.2 In terms of economic effects, these are not expected to differ from those presented for the Proposed Development, comprising the Proposed Alignment, in **Volume 2, Chapter 11: Socio-Economics, Recreation and Tourism**. This is because the same level of works and investment levels would be required for both the Proposed Alignment or Alternative Alignment within Section 3 of the project. Therefore, these are assumed for this assessment.

11.1.3 This assessment does not repeat the policy and socio-economic baseline conditions that are presented in **Volume 2, Chapter 11: Socio-Economics, Recreation and Tourism**, as these are also expected to remain the same for the Proposed Development with either the Proposed Alignment or Alternative Alignment within Section 3 of the project (refer also to **Appendix V2-11.2: Socio-Economic Baseline** and **Appendix V2-11.3: Recreation and Tourism Baseline**).

11.1.4 As a significant investment (approximately £488 million across the entire Skye Reinforcement Project) in a key economic sector, the Proposed Development supports both pillars of the national economic strategy and each of the broad priority areas set out in the strategy. It would provide contract and employment opportunities for Scottish and Highland based businesses throughout the construction and operational phases.

11.1.5 This assessment demonstrates that there are notable beneficial socio-economic effects across the construction and operational phases of the Proposed Development, for example through direct and indirect employment and expenditure opportunities.

11.1.6 The predicted residual socio-economic effect in relation to construction and dismantling activities are deemed to be of **Moderate Beneficial** and significant at both regional and national level. The predicted residual socio-economic effect in relation to operational and maintenance activities are deemed to be of **Minor Beneficial** and not significant at both regional and national level.

11.1.7 The Applicant has committed to maximise the economic opportunities for the local area and business and communities in the Highland Council area, where possible. The Applicant, as in other developments and as set out in their corporate communications, is committed to using local supply chain where feasible and their principal contractors are also encouraged to do the same.

Tourism and Recreation

11.1.8 This Chapter pays particular attention to the tourism and recreational impacts of the Alternative Alignment. It presents an overview of the tourism and recreational asset base and draws on the findings of the Landscape and Visual Impact Assessment (LVIA) of the Alternative Alignment (see **Volume 6, Chapter 3: Landscape and Visual)**. It considers information in the form of road and ferry transport statistics relevant to the Alternative Alignment and considers the significance of effects of the Alternative Alignment on tourism and recreational assets.

11.1.9 The review of the recreational and tourism asset base included a review of all the notable visitor attractions. In terms of specific tourism activities within the vicinity of the Alternative Alignment, the main tourism asset, outside those located in Broadford which is the second largest settlement in population terms with around 1,000 residents, is the Glenelg Ferry. The Glenelg Ferry is owned and operated by the Isle of Skye Ferry Community Interest Company (CIC), which transports around 13,000 cars and thousands of motorbikes and camper vans over the Kyle Rhea Narrows from April to October. The scenic road through Kylerhea Glen and Glen Arroch is enjoyed by many visitors, and there are also opportunities to walk, watch wildlife, and drive on scenic roads that are narrow and twisting, with views of mountains and the sea.

11.1.10 The tourism sector is important for Skye and Lochalsh, but it is considered unlikely that visitors will be dissuaded from using the ferry and the neighbour routes, including viewpoints. Given the few other tourism assets in the local area, there is unlikely to be any significant monetizable detrimental effects to the local area.

11.1.11 Notwithstanding this, it is acknowledged that the LVIA (see **Volume 6, Chapter 3: Landscape and Visual)** has established that significant landscape and visual effects would occur as a result of the Alternative Alignment, within an area around Glen Arroch and Kyle Rhea where the Alternative Alignment would form a noticeable feature within the landscape and views. Whilst some of these effects would reduce to non-significant levels during the operation of the Alternative Alignment, the presence of steel lattice towers and permanent new access tracks within this area is anticipated to lead to on-going significant landscape effects through Glen Arroch and Kyle Rhea Glen and significant visual effects for residents, and visitors accessing some parts of this area.

11.1.12 The predicted residual effect on tourism and recreation receptors is expected to be **Minor Adverse** and therefore not significant during both the construction and dismantling, and operation and maintenance phases.

11.2 Introduction

11.2.1 This Chapter presents the findings of the Socio-Economic, Recreation and Tourism Assessment for the project, incorporating the Alternative Alignment within Section 3. The purpose of the assessment is to identify and describe potential and likely predicted significant effects which may occur as a result of the Alternative Alignment by those living, working and visiting in the area, and to the wider recreational asset base.

11.2.2 This Chapter has been compiled by MKA Economics, who specialise in appraising the economic viability, socio-economic value, and, advising on the delivery of, economic development projects. Based at the Innovation Park at the University of Stirling the company works across sectors and geographies and has been retained by Highland and Island Enterprise on their Economic Impact Assessment Framework since 2013. A table presenting relevant qualifications and experience is included in **Appendix V1-5.1: EIA Team**, contained within Volume 5 of this EIA Report.

11.3 Scope of Assessment and Methodology

11.3.1 In terms of economic effects, this assessment has employed appraisal techniques consistent with those outlined in the Scottish Government's guidance on 'Net Economic Benefit and Planning'**Error! Bookmark not defined.**, and also Scottish Enterprise's Economic Appraisal Guidance Note for the appraisal of economic development initiatives[1].

11.3.2 These economic effects are not expected to differ from those presented for the Proposed Development, comprising the Proposed Alignment, in **Volume 2, Chapter 11: Socio-Economics, Recreation and Tourism**. This is because the same level of works and investment levels would be required for both the Proposed Alignment or Alternative Alignment within Section 3 of the project. Therefore, these are assumed for this assessment.

11.3.3 This assessment does not repeat the policy and socio-economic baseline conditions that are presented in **Volume 2, Chapter 11: Socio-Economics, Recreation and Tourism**, as these are also expected to remain the same (refer also to **Appendix V2-11.2: Socio-Economic Baseline** and **Appendix V2-11.3: Recreation and Tourism Baseline**).

[1] Scottish Enterprise (2008): Impact Appraisal and Evaluation Guide

11.3.4 This Chapter pays particular attention to the tourism and recreational impacts of the Alternative Alignment. It presents an overview of the tourism and recreational asset base, and draws on the findings of the LVIA of the Alternative Alignment (see **Volume 6, Chapter 3: Landscape and Visual)**. It considers information in the form of road and ferry transport statistics relevant to the Alternative Alignment and considers the significance of effects of the Alternative Alignment on tourism and recreational assets.

11.4 Baseline

Local Economic Baseline

11.4.1 A review of Highlands and Islands Enterprise (HIE) Area Profile for Lochaber, Skye and Wester Ross has been completed and the following summary of the local area is presented below:

- total population was 39,331 in 2020, an increase of 0.5 % since 2011, mirroring the increase regionally (0.5 %) but lower than the increase nationally (3.1 %);
- 8.4 % of the Highlands and Islands population;
- a population density of four people per square kilometre, versus 12 regionally and 70 nationally;
- population expected to increase by 12 % in Skye and Lochalsh but decline in Lochaber by 6 % by 2041;
- an older age profile than regionally and nationally;
- a lower employment rate (73.3 %) locally versus 77.5 % regionally and 73.8 % nationally;
- a lower economic activity rate (75.2 %) locally versus 79.4 % regionally and 76.5 % nationally;
- a higher self-employment rate (22.9 %) locally versus 11.6 % regionally and 8.4 % nationally;
- the local unemployment rate in 2020 increased by 3.4 %, a greater rate than regionally (+2.4 %) and nationally (+2.7 %). It peaked at 7.1 % in May and July 2020;
- youth unemployment was 195 in December 2020, an unemployment rate of 7.6 %. This was below the Highlands and Islands (7.8 %) and national (8.3 %) rates, but still suggests significant barriers for young people wishing to enter the labour market;
- the unemployment rate increased across all travel to work areas during the COVID-19 pandemic. In Broadford and Kyle of Lochalsh this increased from 1.9 % to 5.7 % and in Portree it increased from 1.2 % to 5.1 %; and
- 10,800 people are employed in the sectors most exposed to the economic effects of COVID-19, 54 % of total employment – higher than the average regionally (41 %) and nationally (38 %).

11.4.2 Lochaber, Skye and Wester Ross experienced slight population growth between 2011 and 2019. However, this is dominated by growth in those aged 65+. Reflecting this, its dependency ratio is 65.2, broadly in line with the regional average, but higher than that across Scotland overall.

11.4.3 Claimant count unemployment rose to 5.4 % in December 2020, higher than the rate regionally but lower than nationally, reflecting that the number of people that are unemployed or employed and on low income and / or low hours has increased significantly.

11.4.4 Lochaber, Skye and Wester Ross are likely to be harder hit than the Scotland and regional averages, as a result of:

- expected Gross Value Added (GVA) decrease of -£756m across Highland in 2020, a decline of 11.7 %, in line with the regional average (11.7 %) but higher than the national level (10.7 %);
- the dominance of the tourism sector in the area. Accommodation and food services account for a quarter of all employment in Lochaber, Skye and Wester Ross (21.1 %), more than double the shares regionally (10.0 %) and nationally (7.9 %). While lack of overseas visitor spend may be partially offset by UK staycation expenditure, this sector is still facing significant restrictions;

- driven by the high share of employment in accommodation and food services, the area has a higher share of employment in the five sectors most exposed to COVID-19 (54 % compared to 41 % regionally and 38 % nationally);
- its high level of self-employment and its higher than average share of employment in small and medium enterprises (SMEs); and
- its existing vulnerability to Brexit (Highland is ranked 5 of 32 Scotland local authorities, and 70 % of communities in Lochaber, Skye and Wester Ross at datazone level are within the 20 % most vulnerable communities to Brexit in Scotland).

11.4.5 The onset of the COVID-19 pandemic has had a devastating effect on local unemployment levels, with these increasing by 30 % over the period March 2020 to March 2022; this is higher than the 16 % increase regionally and 15 % nationally.

Tourism Baseline

11.4.6 A year-long study into the impact of tourism on Skye and within the wider geographical supply chain, undertaken by The Moffat Centre at Glasgow Caledonian University, was undertaken in 2019, before the advent of the COVID-19 Pandemic.

11.4.7 The study found that in 2019, approximately 650,000 visitors to the Isle of Skye and Isle of Raasay generated £260m of economic output within the Scottish tourism industry via accommodation, attraction, activity, retail, transport and catering spends. Tourism to Skye contributed £140m in GVA to the Scottish economy and provided employment for 2,849 Full Time Equivalent FTEs jobs in 2019.

11.4.8 Those visiting Skye stayed for an average of 3 days in 2019. Average spends for each visitor in the same year was £324.30. Only 7.2 % of visitors were day trippers. Over two thirds of all visitors to Skye travelled by car. The scenery and landscape were the overwhelming motivating factors, as well as the most liked factors. The roads were the most commonly cited negative factor along with a lack of restaurants / cafes and absence of toilet facilities. Whereas the ratio of domestic and overseas visitors to Scotland is in the region of 75 % / 25 % respectively this ratio is reversed for Skye, with 72.7 % of visitors from overseas.

11.4.9 Consultations with tourist business operators, road traffic indicators, ferry data, Airbnb rentals, web traffic and the proliferation in type and number of planning applications confirm the growing levels of tourism on Skye in recent years. The increase in online presence, the pervasiveness of social media, film tourism, ease of access and favourable currency exchange have all contributed to the increase in demand for local services.

11.4.10 The increase in demand has generated rising profits; increased turnover and investment opportunities for tourism related businesses operating on Skye. Nonetheless, the challenges have been significant. Infrastructure issues, including road conditions and lack of facilities, all impacted on business operations. Added to this, the difficulties in recruiting staff and locating suitable accommodation were cited as major barriers to expansion. The significant reduction in available property to rent and reduced housing stock, impacted on the availability of labour supply, the wider local economy and local public services. Moreover, the advent of online consolidators of private accommodation supply has accentuated many of these impacts creating unrestricted growth in supply.

11.4.11 There was a strong consensus amongst responding residents of the weakness of the supporting infrastructure which was impacting on the quality of life for many local residents. Although the benefits of tourism were widely acknowledged, the challenges associated with the volume of visitors, spending less time on the island, was viewed negatively and was considered to contribute to the changing landscape of the island and widespread littering.

11.4.12 In terms of specific tourism activities within the vicinity of the Alternative Alignment, the main tourism asset, outside those located in Broadford which is the second largest settlement in population terms with around 1,000 residents, is the Glenelg Ferry. The Glenelg Ferry is owned and operated by the Isle of Skye Ferry Community Interest Company (CIC), which transports around 13,000 cars and thousands of motorbikes and camper vans over the Kyle Rhea Narrows from April to October. The company employs 16 people with a wages bill of £100,000 from a turnover of around £220,000. It also operates a small seasonal café from the car park at Kyle Rhea.

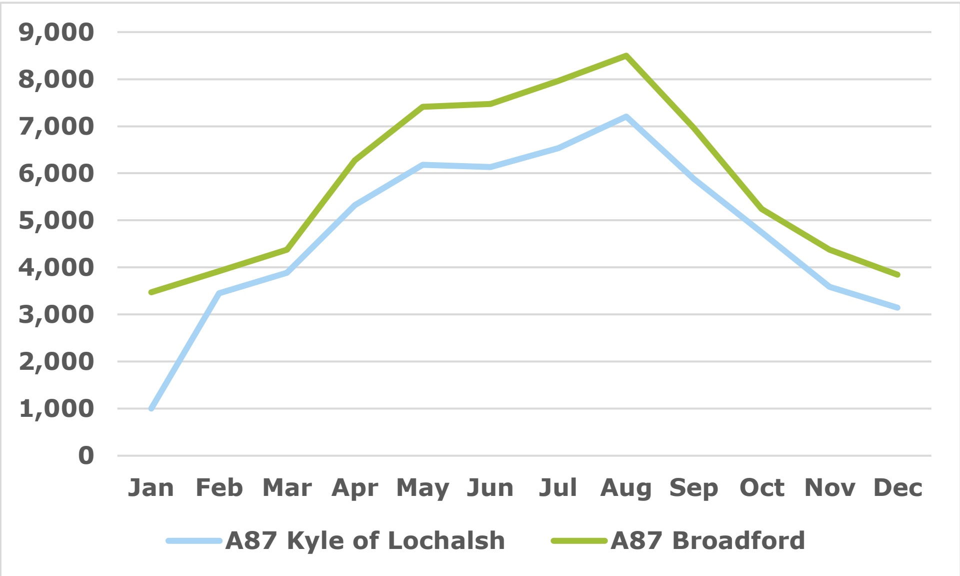
11.4.13 It is acknowledged that the area is popular, notably the scenic road through Kylerhea Glen, in Glen Arroch. Many visitors through this route are known to enjoy the unique experience of the Glen, which also provides opportunities to walk, watch wildlife, and drive on scenic roads that are narrow and twisting, with views of mountains and the sea.

11.4.14 The Tourism and Recreational Baseline identified a range of visitor assets within Section 3. Section 3 runs from North of Broadford to the mainland. The Alternative Alignment runs adjacent to the unclassified road through Glen Arroch. The main attraction is the Glenelg Ferry, and the associated Lighthouse Café and shop on the mainland side of the ferry pier. There are numerous viewpoints in Glen Arroch, most notably the view down the glen and across to the mainland from Bealach Udal. A hide run by RSPB for viewing otters is also present at Kylerhea.

11.4.15 The area is scenic, and it is known that visitors to Skye often use the sea crossing via Glenelg Ferry rather than the Skye Bridge, and the Skye Ferry CIC has confirmed there are in the region of 13,000 cars using the ferry on an annual basis. It is a seasonal ferry, running from around Easter to the October half term breaks.

11.4.16 Skye itself is a popular attraction, and the visitor demand is known to be highly seasonal, perhaps the driving factor for the seasonal Glenelg Ferry. Average road traffic counts have been reviewed for the A87 at Kyle of Lochalsh and at Broadford, which confirms the position where the six month period from May to October accounts for around two-thirds of the road traffic, as shown in **Plate 11.1.**

Plate 11.1: Average Daily Traffic Flows at Selected Automated Traffic Classifier Sites by Month, 2019



11.4.17 Skye is a popular tourism destination, and is expected to recover for the onset of the COVID-19 pandemic. The 2019 Isle of Skye Tourism Economic Impact Assessment confirm the strategic importance of the tourism sector and notes the importance of the tourism recovery. However, it recognises that tourism is highly seasonal, with significant demand in the summer which has been bringing issues with traffic and pollution. The study also highlights the challenges associated with visitor volume, most notably visitors spending less time on the islands.

This was viewed negatively and was considered to contribute to the changing landscape of the island with environmental erosion and widespread littering. It is known that tourism bodies are seeking to reverse the trend of visitors spending less time on the Island, by promoting ‘slow tourism’, including new assets for non-vehicle use and creating assets and marketing campaigns to promote longer stays, and higher spend levels. The focus is increasingly on tourism value, rather than tourism volume.

Local Recreational Profile

11.4.18 A detailed recreational profile was completed as part of the Socio-Economic, Recreational and Tourism Assessment for the Proposed Development, as detailed within **Volume 2, Chapter 11: Socio-Economics, Recreation and Tourism**. As noted within **Volume 6, Chapter 3: Landscape and Visual**, the following recreational routes are present within the vicinity of the Alternative Alignment:

Core Paths:

- Corry Core Paths: two recreational path / minor road routes to the western side of Broadford Bay including: Core Path SL03.07 (Broadford Bridge to Corry Lodge) and Core Path SL03.08 (Broadford Hospital to Pier). Views are mostly low-level, eastwards across Broadford Bay and Broadford, and north and south;
- Core Path SL03.06: Broadford to Camas na Sgianadin: a recreational low level footpath running north-west from the outskirts of Broadford alongside the A87 to a cove overlooking Scalpay. Main views northbound are across to Scalpay, while southbound views are more enclosed by semi-continuous roadside scrub;
- Core Paths to the South-west of Broadford, comprising two Core Paths in Strath Suardal: Core Path SL03.05 (Broadford to Coire-chat-acan); and Core Path SL03.04 (Broadford to Suardal (also Scottish Hill Track 294, Broadford to Kilbride by Boreraig and Suisnish)). Views from these routes are typically along Strath Suardal; and
- Paths on the Arnish Peninsula:, a recreational path across a low lying peninsula to the north of Breakish including a shoreline path to Rubha Ardnish and the established Core Path SL03.09 (Waterloo to Lower Breakish). The route affords open and panoramic views across Broadford Bay featuring the surrounding shoreline, offshore islands and the Cullins prominently in western views. R3-12 (Core Path SL 12.05: Glen Bernera to Ardintoul to Ferry Circular Route) is a recreational route from Glen Bernera to the Glenelg-Kylerhea ferry crossing. Main views are across Kyle Rhea, filtered by forestry in the foreground.

Scottish Hill Tracks:

- Scottish Hill Track 289: Kinloch to Kylerhea, is a coastal walking route along the west coast of Skye from Kylerhea with low-level to slightly elevated views with a main focus eastwards across Glenelg Bay.

11.4.19 Other Routes considered include:

- Ben Aslak Hill Walk; comprises an unmarked walking route up Ben Aslak from Kylerhea or Bealach Udal, with elevated and panoramic views, over Kyle Rhea to the Knoydart mountains to the east; towards the Kylerhea Hills to the north; and over Broadford bay to the Cuillin Hills to the west;
- Ascent / Descent of Kylerhea Hills; is an unmarked walking route up Beinn na Caillich and Sgùrr na Còinnich from the Otter Haven car park or from Bealach Udal. Views are elevated and panoramic in all directions; and
- Kylerhea Otter Hide Footpath; is a forestry track above Kyle Rhea leading to a wildlife hide used by walkers and visitors. The route affords predominantly easterly views through trees across the straits at Kyle Rhea towards the mainland.

11.4.20 The following Outdoor Viewing Locations are also present within the vicinity of the Alternative Alignment:

- Bealach Udal, a roadside vantage point where elevated views eastward down Kylerhea Glen to the mainland are experienced;
- Otter Hide, Car Park and Picnic Area, an RSPB car park and information area with wildlife hide and picnic tables, with elevated views over Kyle Rhea narrows; and
- Otter Haven Lower Hide, a woodland hide set within the edge of the forest above Kyle Rhea for viewing marine wildlife on the shore and across the sea narrows.

11.4.21 As considered in the tourism baseline, the recreational assessment also considered the Glenelg Ferry as used by recreational users and residents crossing Kyle Rhea between Glenelg and Kylerhea during the summer months. The main views are in multiple directions across Kyle Rhea, although they are restricted in some directions by forested hill slopes.

11.5 Assessment of Likely Significant Effects

11.5.1 This part of the Chapter sets out the potential socio-economic, recreation and tourism impacts arising from the construction, operation and maintenance, and dismantling of the Proposed Development. The areas of focus are within the Highland local authority area, as well as Scotland as a whole, and include:

- total levels of investment across the construction (CAPEX) and operations & maintenance (OPEX);
- direct impacts arising from the investment, in terms of employment and GVA impact;
- wider economic impacts arising from the direct impacts, using economic multipliers in terms of employment and GVA; and
- recreational and tourism effects based on a review of secondary research, a review of the tourism and recreational assets from a site visit and a review of the LVIA.

Socio-economic Effects

<u>Construction and Dismantling</u>

11.5.2 The total construction and dismantling employment were estimated by the Applicant and their technical advisers. These total employment impacts associated with the construction phase of the Proposed Development are set out in **Volume 2, Chapter 11: Socio-economic, Recreation and Tourism** of this EIA Report. This shows that at the peak of the construction period (approximately three years for construction and a further seven months for dismantling), there would be approximately 350 people working onsite, both on Skye and the mainland.

11.5.3 There would be direct construction impacts for the Highlands and Scotland as a whole as part of the investment plans, where 638 Person Year Employment (PYEs) would be generated as a result of the construction programme. Taking into account the origin of these jobs, displacement and multiplier effects, the construction works alone would generate 167.4 PYE in the Highlands and 430.7 PYE at the Scottish level. This equates to a GVA impact of £10.4 million to the Highlands and £27.38 million at the Scottish level over the construction period.

11.5.4 Construction and dismantling is predicted to result in a temporary **Moderate Beneficial** and significant effect on the economy in Highland (regional), and a **Moderate Beneficial** and significant effect on the economy in Scotland (national).

<u>Operation and Maintenance</u>

11.5.5 The operational employment levels were provided by the Applicant. This shows that it is estimated that 10 full time jobs would be created once the Proposed Development is fully operational.

11.5.6 Overall, taking account of displacement and multiplier effects, the Proposed Development is expected to generate 6.3 operational jobs per annum in the Highlands and 16.2 operational jobs across Scotland per annum. This equates to a GVA impact of £310,320 to the Highlands and £1,065,393 across Scotland per annum.

11.5.7 The effect of operations and maintenance expenditure on the Highland (regional) and Scottish (national) economies was assessed as **Minor Beneficial** and therefore not significant.

Wider Socio-economic Effects

11.5.8 The construction and operational impacts should be presented in the context of the wider socio-economic impacts of the Proposed Development and it's 'enabling' role in allowing more renewable projects to be developed. These are as presented in **Volume 2, Chapter 11: Socio-Economics, Recreation and Tourism.**

Recreation and Tourism Effects

11.5.9 As discussed within Part 11.7 of **Volume 2, Chapter 11: Socio-Economics, Recreation and Tourism** of this EIA Report, there have been a number of research exercises completed regarding the opinions of tourists towards wind farms and related renewable energy and transmission infrastructure. A summary of the most relevant and highly regarded research includes:

- report on the achievability of the Scottish Government's renewable energy targets[2]; and
- Public Attitudes Tracking Survey[3].

11.5.10 Perhaps the most relevant research was carried out as part of the Scottish Parliament's Economy, Energy and Tourism Committee Inquiry[4] into renewable energy targets. Inquiry evidence was based on a review of surveys which appraised the tourist impact of renewable energy projects, including transmission infrastructure.

11.5.11 Overall, the study concluded, *"no witness has provided the Committee with robust, empirical evidence, as opposed to anecdotal comment and opinion, that tourism is being negatively affected by the development of renewable projects."*

11.5.12 The report also found: *"Whilst care always needs to be taken in terms of the planning process and decisions on the siting of individual projects in areas popular with tourists and in our rural and wild land areas, no one has provided the Committee with evidence, as opposed to opinion."*

11.5.13 A more recent, and regular, piece of research is issued quarterly by the Department for Business, Energy and Industrial Strategy (BEIS), in their 'Public Attitudes Tracker'[5]. In December 2021, this reported that support for renewable energy remained steady at 87 %. Levels of support have remained between 74 % and 85 % since the question was first asked in March 2012. Opposition to renewable energy remained at its lowest point across the tracker at 2 %, having previously fluctuated between 3 % and 5 % between March 2012 and June 2019.

11.5.14 A study of the tourism effects of renewable development in Wales was completed in 2014[6]. This backs up the evidence from Scottish research which concluded that wind farms and pylons have a limited impact on tourism. It did state that the evidence base for tourism impacts of associated infrastructure is far less developed than that for wind farms. The few studies which have addressed the subject have focused on visitors' opinions of pylons, which consistently found that reactions are more negative than toward wind turbines. However, there is no evidence that the existing National Grid infrastructure, which is concentrated in North and South Wales, often in popular scenic areas, discourages visitors.

11.5.15 Overall, the research completed to date confirms that the tourism sector is not adversely affected by renewable energy and transmission infrastructure investments. In fact, the tourism sector has continued to grow across

[2] Scottish Parliament's Economy, Energy and Tourism Committee Inquiry (2012): Tourism Impacts of Renewable Development
[3] Department for Business, Energy and Industrial Strategy (2021): Public Attitudes Tracker
[4] Scottish Parliament's Economy, Energy and Tourism Committee Inquiry (2012): Tourism Impacts of Wind Farms
[5] Department for Business, Energy and Industrial Strategy (2021): Public Attitudes Tracker
[6] Welsh Government (2014): Study into the Potential Economic Impact of Wind Farms and Associated Grid Infrastructure on the Welsh Tourism Sector

Scotland as more wind farms and grid infrastructure enhancements have been developed. For example, in Scotland the installed capacity of renewable projects increased from 1.9 GW to 8.0 GW – while employment in tourism-related sectors in Scotland also grew during this decade, an increase of 20 %.

11.5.16 Furthermore, it is also known that over the period 2010 to 2019, the Highland's tourism sector expanded by 87 % in GVA terms and 51 % in turnover terms, compared to 42 % and 25 % increases respectively at the Scottish level. This is notable as there was an increasing number of renewable developments in this period, and notably the construction and operation of the Beauly-Denny overhead transmission line, which is predominantly in the Highlands.

11.5.17 In terms of a more local level assessment for the Alternative Alignment, there is only one notable tourism asset, outside of the main settlement of Broadford. This is the seasonally operated Glenelg Ferry. It is noted through the baseline that the traffic on the island has a considerable summer peak, highlighting the popularity of the island in the summer months. The ferry transports around 13,000 car per annum. Glen Arroch is known to be a scenic and popular car journey, with narrow and windy stretches as well as popular viewing spots. However, there are few other tourism assets on this route, and therefore there is unlikely to be any significant monetizable detrimental effects. The review of secondary research suggests some tourists may be dissuaded from visiting or revisiting an area with renewable or transmission infrastructure.

11.5.18 Similarly, the review of core paths, rights of ways and hill tracks / mountain routes, has shown that their use would be largely unaffected by the OHL, both at construction and operational stages. There are limited access routes in close proximity to the OHL, and the research suggests there would be negligible impacts for recreation users and tourists as a result of the construction and operation of the OHL, albeit the LVIA predicted significant effects for receptors within the Glen Arroch and Kyle Rhea area including those using routes, and present at outdoor locations (see **Volume 6, Chapter 3: Landscape and Visual**).

11.5.19 The potential effect on tourism and recreation is expected to be **Minor Adverse** and therefore not significant during both the construction and dismantling, and operation and maintenance phases.

11.6 Mitigation

11.6.1 This assessment demonstrates that there are notable beneficial socio-economic effects across the construction and operational phases of the Proposed Development, through direct and indirect employment and expenditure opportunities.

11.6.2 Where there are short term and temporal effects as a result of the construction and operation of the Proposed Development and dismantling of the existing OHL on tourism and recreation receptors, measures are presented in the Draft Outdoor Access Management Plan (see **Volume 5, Appendix V2-11.1: Draft Outdoor Access Management Plan**) as to how existing public access would be managed during the construction and operation of the Proposed Development.

11.6.3 The Applicant has committed to maximise the economic opportunities for the local area and business and communities in the Highland Council area, where possible. The Applicant, as in other developments and as set out in their corporate communications, is committed to using local supply chain where feasible and their principal contractors are also encouraged to do the same.

11.6.4 The Applicant has a raft of corporate communications which can be reviewed as to the contribution the company makes to the Scottish economy, its sustainability ethos and track record of developing and delivering on community investment.

11.7 Residual Effects

Socio-economics Residual Effects

Construction and Dismantling

11.7.1 No specific mitigation measures are proposed in relation to socio-economics during construction and dismantling phases due to no significant adverse effects being assessed (see paragraph 11.5.4). The predicted residual socio-economic effect in relation to construction and dismantling activities are deemed to be of **Moderate Beneficial** and significant at the regional level and of **Moderate Beneficial** and significant at the national level.

Operation and Maintenance

11.7.2 No specific mitigation measures are proposed in relation to socio-economics during the operational phase of the Proposed Development due to no significant adverse effects being assessed (see paragraph 11.5.7). The predicted residual socio-economic effect in relation to operational activities are deemed to be **Minor Beneficial** and therefore not significant at both regional and national level.

Recreation and Tourism Residual Effects

Construction and Dismantling

11.7.3 No significant effects are predicted on tourism and recreation receptors during construction of the Proposed Development as well as dismantling of the existing OHL, as set out in paragraph 11.5.19. Nevertheless, details to safeguard and manage existing public access during construction have been identified. As such, the residual construction and dismantling effects of the Proposed Development on recreation and tourism receptors in the study area are deemed to be **Minor Adverse** and not significant**.**

Operation and Maintenance

11.7.4 No significant effects are predicted on tourism and recreation receptors during operation and maintenance of the Proposed Development, as set out in paragraph 11.5.19. Nevertheless, details to safeguard and manage existing public access during operation have been identified. As such, the residual operation and maintenance effects of the Proposed Development on recreation and tourism receptors in the study area are deemed to be **Minor Adverse** and not significant**.**

11.8 Summary and Conclusions

11.8.1 This Chapter considers the potential effects on socio-economic activity, recreation and tourism activity during construction and operation of the Proposed Development, with a particular focus on the tourism and recreational impacts of the Alternative Alignment.

11.8.2 As a significant investment (approximately £488 million across the entire Skye Reinforcement Project) in a key economic sector, the Proposed Development supports both pillars of the national economic strategy and each of the broad priority areas set out in the strategy. It would provide contract and employment opportunities for Scottish and Highland based businesses throughout the construction and operational phases.

11.8.3 This assessment demonstrates that there are notable beneficial socio-economic effects across the construction and operational phases of the Proposed Development. For example, the local economy would be supported by the Proposed Development through direct and indirect employment and expenditure opportunities.

11.8.4 The Applicant has committed to maximise the economic opportunities for the local area and business and communities in the Highland Council area, where possible. The Applicant, as in other developments and as set out in their corporate communications, is committed to using local supply chain where feasible and their principal contractors are also encouraged to do the same.

11.8.5 The review of the recreational and tourism asset base included a review of all notable visitor attractions. In terms of specific tourism activities within the vicinity of the Alternative Alignment, the main tourism asset, outside those located in Broadford which is the second largest settlement in population terms with around 1,000 residents, is the Glenelg Ferry. The Glenelg Ferry is owned and operated by the Isle of Skye Ferry Community Interest Company (CIC), which transports around 13,000 cars and thousands of motorbikes and camper vans over the Kyle Rhea Narrows from April to October. The scenic road through Kylerhea Glen and Glen Arroch is enjoyed by many visitors, and there are also opportunities to walk, watch wildlife, and drive on scenic roads that are narrow and twisting, with views of mountains and the sea.

11.8.6 The tourism sector is important for Skye and Lochalsh, but it is considered unlikely that visitors will be dissuaded from using the ferry and the neighbour routes, including viewpoints. Given the few other tourism assets in the local area, there is unlikely to be any significant monetizable detrimental effects to the local area.

11.8.7 Notwithstanding this, it is recognised that this is a scenic area, popular with visitors who are known to enjoy the unique experience of Glen Arroch. The LVIA has established that significant landscape and visual effects would occur as a result of the Alternative Alignment, within an area around Glen Arroch and Kyle Rhea where the Alternative Alignment would form a noticeable feature within the landscape and views. Whilst some of these effects would reduce to non-significant levels during the operation of the Alternative Alignment, the presence of steel lattice towers and permanent new access tracks within this area is anticipated to lead to on-going significant landscape effects through Glen Arroch and Kyle Rhea Glen and significant visual effects for residents, and visitors accessing some parts of this area.